

PROPOSED CONSTITUTIONAL AMENDMENTS

PROPOSED CONSTITUTIONAL AMENDMENT—PERMANENT UNIVERSITY FUND—INVESTMENT

H. J. R. No. 20

Proposing an amendment to Section 11a, Article VII, of the Constitution of Texas, providing for the investment of the Permanent University Fund by the Board of Regents of The University of Texas System in certain types of securities within the prudent man rule.

Be it resolved by the Legislature of the State of Texas:

Section 1. That Section 11a, Article VII, of the Constitution of the State of Texas, be amended to read as follows:

"Section 11a. In addition to the bonds enumerated in Section 11 of Article VII of the Constitution of the State of Texas, the Board of Regents of The University of Texas may invest the Permanent University Fund in securities, bonds or other obligations issued, insured, or guaranteed in any manner by the United States Government, or any of its agencies, and in such bonds, debentures, or obligations, and preferred and common stocks issued by corporations, associations, or other institutions as the Board of Regents of The University of Texas System may deem to be proper investments for said funds; provided, however, that not more than one per cent (1%) of said fund shall be invested in the securities of any one (1) corporation, nor shall more than five per cent (5%) of the voting stock of any one (1) corporation be owned; provided, further, that stocks eligible for purchase shall be restricted to stocks of companies incorporated within the United States which have paid dividends for five (5) consecutive years or longer immediately prior to the date of purchase and which, except for bank stocks and insurance stocks, are listed upon an exchange registered with the Securities and Exchange Commission or its successors.

"In making each and all of such investments said Board of Regents shall exercise the judgment and care under the circumstances then prevailing which men of ordinary prudence, discretion, and intelligence exercise in the management of their own affairs, not in regard to speculation but in regard to the permanent disposition of their funds, considering the probable income therefrom as well as the probable safety of their capital.

"The interest, dividends and other income accruing from the investments of the Permanent University Fund, except the portion thereof which is appropriated by the operation of Section 18 of Article VII for the payment of principal and interest on bonds or notes issued thereunder, shall be subject to appropriation by the Legislature to accomplish the purposes declared in Section 10 of Article VII of this Constitution.

"This amendment shall be self-enacting, and shall become effective upon its adoption, provided, however, that the Legislature shall provide by law for full disclosure of all details concerning the investments in corporate stocks and bonds and other investments authorized herein."

Sec. 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of the state at an election to be held on the first Tuesday after the first Monday in November 1968, at which election all ballots shall have printed thereon the following:

"FOR the constitutional amendment providing for investment of the Permanent University Fund by the Board of Regents of The University of Texas in certain types of securities within the prudent man rule."

60TH LEGISLATURE—REGULAR SESSION

"AGAINST the constitutional amendment providing for investment of the Permanent University Fund by the Board of Regents of The University of Texas in certain types of securities within the prudent man rule."

Sec. 3. The governor shall issue the necessary proclamation for the election, and this amendment shall be published as required by the Constitution and laws of this state. The publication of this amendment shall be limited to Sections 1 and 2 of this Resolution only.

Adopted by the House on April 24, 1967: Yeas 120, Nays 18; adopted by the Senate on May 27, 1967: Yeas 29, Nays 2.

Signed by the Governor June 17, 1967.

PROPOSED CONSTITUTIONAL AMENDMENT—LEGISLATORS —HOLDING OTHER OFFICES

H. J. R. No. 22

Proposing an amendment to the Constitution of the State of Texas to fix the time during which the members of the Legislature shall be ineligible to hold other offices.

Be it resolved by the Legislature of the State of Texas:

Section 1. That the Constitution of Texas, Article III, be and the same is hereby amended by deleting therefrom Section 18, and substituting in lieu thereof the following:

"Section 18. No Senator or Representative shall, during the term for which he was elected, be eligible to (1) any civil office of profit under this State which shall have been created, or the emoluments of which may have been increased, during such term, or (2) any office or place, the appointment to which may be made, in whole or in part, by either branch of the Legislature; provided, however, the fact that the term of office of Senators and Representatives does not end precisely on the last day of December but extends a few days into January of the succeeding year shall be considered as de minimis, and the ineligibility herein created shall terminate on the last day in December of the last full calendar year of the term for which he was elected. No member of either House shall vote for any other member for any office whatever, which may be filled by a vote of the Legislature, except in such cases as are in this Constitution provided, nor shall any member of the Legislature be interested, either directly or indirectly, in any contract with the State, or any county thereof, authorized by any law passed during the term for which he was elected."

Sec. 2. The foregoing constitutional amendment shall be submitted to a vote of the qualified electors of this state, at an election to be held throughout the state on the first Tuesday after the first Monday in November, 1968, at which election all ballots shall have printed thereon the following:

"For the constitutional amendment fixing the time during which members of the Legislature shall be ineligible to hold other offices."

"Against the constitutional amendment fixing the time during which members of the Legislature shall be ineligible to hold other offices."

If it appears from the returns of such election that a majority of the votes cast therein are for such amendment, same shall become a part of the Constitution of Texas.